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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

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CC Docket No. 92-237

Administration of the
North American Numbering Plan
Carrier Identification Codes (CICs)

GTE's COMMENTS

GTE Service Corporation and its affiliated
domestic telephone operating and wireless
companies

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SUMMARY

GTE supports the NANC recommendations with only two qualifications:

- (1) GTE recommends a tentative limit of ten CIC codes per entity;
- (2) GTE recommends that the FCC should adopt a maximum limit on what any entity might acquire through mergers or acquisitions. This limit should be .05% of the total available or fifty CIC codes.

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GTE's COMMENTS

GTE Service Corporation and its affiliated domestic telephone operating companies¹, wireless companies,² and long distance company³ ("GTE") offers the following comments:

BACKGROUND

In its Further Notice of Proposed Rulemaking and Order ("FNPRM"), FCC 97-364 (rel. Oct. 9, 1997), in this CC Docket No. 92-237 ("D.92-237"), the Commission sought comment on the use and assignment of Carrier Identification Codes ("CICs"). The

¹ The GTE domestic telephone operating companies include: GTE Alaska, Incorporated, GTE Arkansas Incorporated, GTE California Incorporated, GTE Florida Incorporated, GTE Hawaiian Telephone Company Incorporated, The Micronesian Telecommunications Corporation, GTE Midwest Incorporated, GTE North Incorporated, GTE Northwest Incorporated, GTE South Incorporated, GTE Southwest Incorporated, Contel of Minnesota, Inc., and Contel of the South, Inc.

² GTE Mobilnet Incorporated, Contel Cellular Inc. and GTE Airfone Incorporated.

³ GTE Card Services Incorporated.

FNPRM required the North American Numbering Council ("NANC") to present to the Commission its recommendations concerning the tentative conclusions and proposals in the FNPRM. Specifically, the FNPRM (at paragraph 2) seeks input on how to define "entity" and whether the CIC conservation measures such as a limit on CIC assignments per entity, a limit on the total number of four-digit CICs available for assignment, and mandatory CIC reclamation procedures, are needed to meet the Commission's numbering policy goals.

On February 18, 1998, NANC submitted to the FCC its Report and Recommendations Regarding the Use and Assignment of Carrier Identification Codes (the "NANC Report"). The NANC Report states at 3: "The recommendations set forth in this Report are the NANC's response to the FCC's directive, and represent a consensus within the industry achieved through cooperative discussion and problem solving within the NANC CIC Ad Hoc Working Group." It adds (id.):

Participants in the Working Group represented a cross section of the industry, e.g. Incumbent Local Exchange Carriers, Competitive Local Exchange Carriers, Interexchange Carriers, and Industry Associations.

DISCUSSION

I. GTE SUPPORTS THE NANC RECOMMENDATIONS WITH ONLY TWO QUALIFICATIONS

GTE in supporting competition recognizes the importance of administering the rules of transition in a non-discriminatory manner and on a competitively neutral basis. GTE suggests that this process of using a working group consisting of the industry numbering experts from each competitive segment with the oversight of the NANC best balances the concerns and needs of our customers and the varying points of view

between the competitive groups (ILECs, Wireless, IXC's, etc.). As a participant in the NANC CIC Ad Hoc Working Group, GTE commends the NANC and this Working Group for the hard work, cooperation and spirit of compromise on the part of the participants. GTE supports the recommendations of the NANC Report in every area with only two qualifications discussed infra. Specifically, GTE supports the NANC recommendations on the following points:

- The Commission should not adopt the CIC Assignment Guidelines as formal rules, except for the existing requirements that CICs actually be activated and used by the assigned carrier.
- The current requirement for a CIC holder to purchase a Feature Group D (FG D) trunk should be eliminated in light of changes in access technologies and market requirements.
- Access uses of CICs should not be constrained, because the alternatives to CICs discussed in the FNPRM do not provide sufficient flexibility for carriers to meet their networking needs.
- The "Special Use" category of CICs should be eliminated.
- The definition of entity should be as follows: An entity is a firm or group of firms under common ownership and control. Control is defined as one firm having a 50% or greater ownership interest in another.
- Sharing of CICs among entities is a business matter that should be permitted but not required.
- Codes should be assigned in a manner to encourage competition and spur innovation.

Finally, GTE agrees with the recommendation of the NANC Report (at 6) that says any Commission rules on CICs should maintain the basic tenet of the CIC Assignment Guidelines, which is that CICs can be assigned to provide the greatest latitude in the provision of telecommunications services, while maintaining the effective management of a finite resource. As stated by the NANC (at 5):

The NANC believes that these recommendations are consistent with the balanced considerations under which the current CIC Assignment Guidelines were formulated. First, the recognition that CICs represent a finite resource and should, therefore, be used efficiently and conserved to the extent possible; and second, that their prudent use is inherent in the provision of telecommunications services.

II. GTE RECOMMENDS A TENTATIVE LIMIT OF TEN CIC CODES PER ENTITY

GTE suggests the tentative limit of CIC Codes per entity should be ten instead of the six that is currently recommended in the NANC Report (at 4). The CIC conservation plan developed by the industry and adopted by the Commission in its Second Report and Order in Dkt. 92-237, 12 FCC Rcd 8024 (1997), has well-served the objective of avoiding premature depletion of these numbering resources during the transition from three-digit to four-digit CICs. The FNPRM appears to be based on the premise that strict conservation measures remain necessary even after expansion of the total available Feature Group D (FG D) CICs from 1,000 to 10,000 codes. Hence, the Commission has proposed to expand the definition of "entity" by eliminating the "control" test and tentatively concludes that a six CIC limit per entity should apply when four-digit CICs outside the 5XXX and 6XXX pool are available at the end of the transition to four-digit codes. FNPRM paragraphs 24 and 35.

GTE agrees with the Commission's tentative conclusion but concludes that it would not be necessary or appropriate to continue the present conservation plan of two CICs per entity after the transition has been completed. With the expansion of available codes from 1,000 to 10,000, there will not be the kind of imminent exhaust problem the industry faced when using only three digits. Although there could be an increase in assignment of CICs immediately after the end of the transition period due to pent up demand stemming from the duration of conservation limits, it is unlikely that CICs will experience significant shortage once the resource is expanded to 10,000 codes.

As reflected in the NANC Report, there is no evidence of an immediate shortage of CICs. The limit of ten should be used tentatively pending an evaluation after six months, at which time the NANC can report to the FCC if this limit should be increased or remain under study. Even under aggressive use of CIC codes for new purposes, GTE suggests a strict conservation effort will not be needed.

**III. GTE RECOMMENDS THAT THE COMMISSION SHOULD ADOPT A
MAXIMUM LIMIT OF CICs THAT ANY ENTITY MIGHT ACQUIRE
THROUGH MERGERS AND ACQUISITIONS**

Although GTE agrees that CICs obtained through Mergers and Acquisitions should not be counted against an existing entities' limit, GTE maintains there must be a maximum limit of CICs that an entity could build through this method. The limit should be a quantity of CICs no greater than .05% of the industry resource. This would translate to 50 codes as an absolute maximum for any one entity.

The rationale behind this absolute maximum is to prevent an undue quantity of these codes falling under the assignment of any one entity, thereby creating a

competitive imbalance in the industry. To prevent such an imbalance, this overall limit for any entity of .05% of the total resource should be established. Any entities with greater than this quantity of CICs should be obligated to return the excess number of codes above the .05% limit within six months. This limit would eliminate such possible abuses of CIC code expansion as companies acquiring small or start-up companies just to get more codes, or even the creation of corporate entities for the very purpose of obtaining CIC codes and passing them on to an acquiring firm.

Respectfully submitted,

GTE Service Corporation and its affiliated
domestic telephone operating and wireless
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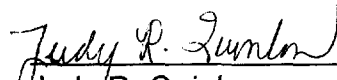
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March 6, 1998

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Certificate of Service

I, Judy R. Quinlan, hereby certify that copies of the foregoing "GTE's Comments" have been mailed by first class United States mail, postage prepaid, on March 6, 1998 to all parties of record.



Judy R. Quinlan